

Display P&L Documentation

Mapping File - P&L Data

go/displaypnlrates

go/projectslice

Summary of Display Products

Sellside

AdSense is Google's product for websites/publishers who want to have Google provided ads that are served to their websites, including on web pages (AFC), games (AFG), and videos (AFV) which are part of the AVID Display business. AdSense also serves on search, domain, and shopping pages (falling under Search) and on YouTube (falling under YouTube). Google monetizes AdSense by keeping a portion of media spend after revenue share is paid to publishers.

AdMob helps app developers monetize and promote their mobile app through in-app advertising. Google monetizes AdMob by keeping a portion of media spend after revenue share is paid to app developers.

Google Ad Manager (AdExchange, DFP) is a unified ad management platform for publishers. Ad Manager enables publishers to manage and traffic their ad inventory with granular controls (formerly DoubleClick for Publishers) and facilitates monetization through multiple ad exchanges including the AdExchange Network (formerly DoubleClick Ad Exchange). Google monetizes Ad Manager by charging ad serving fees and by keeping a portion of media spend after revenue share is paid to publishers for inventory monetized through the Google Ad Manager exchange.

Buyside

Google Ads (AdWords, GDA) is an advertising self-service platform by Google for businesses wanting to have Search, Display & Video campaigns on Google and its advertising network.

Display and Video 360 (DV360, DBM, DV3) is Google's programmatic solution that offers consolidation, advanced controls and the ability to buy directly from Publishers programmatically. It is Google's customizable, enterprise-grade solution for advertisers. DV360 allows digital advertisers to manage multiple ad exchange and data exchange accounts through a single interface. Google monetizes DV360 by charging a platform fee based on a percentage of Media spend.

Campaign Manager 360 (CM360, DCM) is an ad management and measurement system for advertisers and agencies. It offers a centralized tool for managing digital campaigns across

websites and mobile. Google monetizes DCM by charging a monthly fee based on a usage-based rate card.

Google Analytics (GA360) is an enterprise-class web analytics application that is used by marketers, advertisers and site owners across the web. Google monetizes GA360 by charging a monthly fee based on a usage-based rate.

Other Definitions

Owned and Operated (O&O) are Google owned properties like Google Search, Play, Maps, YouTube, Gmail where we are both the sell-side platform and the end publisher.

Network is where Google is the sell-side platform available for use by other end publishers. AdMob, AdSense, and Google Ad Manager all fall under Network.

P&L Line Items

Total media spend is the total amount of dollars that flows through the system across the products.

Total Fees is the total amount of platform fees for the buyside products. Predominantly found in DV360 and CM360; however, there is some revenue that flows through DFP (Google Ad Manager)

All media **served** on Network & 3rd Party (3P) sites, plus DV360, CM360, DFP (incl. in Google Ad Manager), and Google Analytics fee revenue.

Served revenue is attributed to products in the following way:

	AdMob	AdSense	AdManager	Google Ads	DV360	CM360
Media Revenue Included						
Fee Revenue Included						
Other Revenue						

Accounts that negatively (normally) adjust Revenue

General Incentives are discounts paid to advertisers who achieve certain milestones. Cash, non-cash and service coupon options. [REDACTED]

General Reserves are credits paid back to publishers or advertisers (spam credits, sales allowances, etc.). [REDACTED]

General Brazil Tax is a special tax on revenue in Brazil only. [REDACTED]

FX Impact is the adjustment that converts the Served Revenue forecast, which is done on a fixed FX basis, to a floating fx basis for the P&L. FX Impact is split among products by Served Revenue %s

PG/PD Adjustment represents the payments to publishers for Programmatic Guaranteed (PG) and Preferred Deals (PD) transaction type deals. Product level allocations comes directly from Revteam data.

Digital Services Tax (DST) is sent to Google Ads customers, so it is attributed [REDACTED]. Amount is directly calculated from Revteam data.

Misc. Adj (Plug) represents various manual adjustments. It is split across Display products using the (Served - TAC - PG/PD) revenue share.

(Served Revenue - Contra Revenue)

The "official" revenue number on the Display P&L, this is what goes to the street.

TAC (Traffic Acquisition Costs) represents RevShare payments to publishers. These are costs related to traffic acquisition via partners. Applies to media revenue only (except Programmatic Guaranteed(PG), Preferred Deals (PD) and Exchange Bidding (EB). TAC is split among Display products directly from Revteam data.

CAC (Content Acquisition Costs): Costs related to content acquisition via partners. Data licensing fees – usually very small for Display. Split by Revshare (Served - TAC - PG/PD).

Booked Revenue - TAC/CAC

Machines: Anchor costs directly attributable to running the ads business / serving ads. Compute and Storage costs are calculated and then allocated to the Display PA.

Ads machine cost forecast logic varies for each cost stream. On a high level, for resource-based cost streams (nonML, ML Logs), we forecast by using run rate (costs that have been actualized) plus incremental demand/returns signal provided by anchor planners. For Special Charges, DAPA, we use historical trends. For Core, TI services, and Network, we rely on our finance partners for forecasts. For more details, please refer to this [doc](#).

[REDACTED]

Allocations follow a two step process:

- [REDACTED]
- [REDACTED]

For anchors without estimated allocation rates, a general Display rate is used. This rate is the weighted % of Machine costs from the anchors with an estimated rate.

DST - Digital Service Taxes are charged to [REDACTED] customers in certain countries. This cost is thus [REDACTED]
Credit Card Fees - All Google Ads driven by small advertisers paying with credit cards
Other COS - allocated by Revshare (Served - TAC - PG/PD Adjustment)

Useful Links
[Network Chargeback Review](#)

Net Revenue - Machines / Network / Other Cost of Sales

[REDACTED]
[REDACTED]
[REDACTED]

[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]

[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]

[REDACTED]
[REDACTED]
[REDACTED]

What is it?

Expenses from GBO attributed to Display or allocation proportionally to Display.

How is it split across products?

GBO follows two different allocation methodologies: known allocation rates (see GBO survey) vs. a General GBO split rate. Cost Centers provided product-level splits in the 2022 GBO Survey and those rates are then applied to each Cost Center's total. For those CC's with no defined rate, similar to EngPM, the weighted % for each product as a proportion of the total is applied to the remaining unknowns.

Note [Mar. 2023]: 2022 GBO survey rates have gone live in go/adspnl data. Q1'23 actuals are using previous GBO survey rates, Q2'23 - Q4'23 will utilize the updated rates.

What is it?

Expenses for Marketing attributed to Display or allocated proportionally to Display

How is it split across products?

Marketing Survey Rates. Updated 2x a year.

What is it?

General and Administrative overhead costs (REWs, POps, Legal, Finance, etc.) that are billed / allocated to Display.

How is it split across products?

G&A is allocated by taking each product's EngPM & GBO costs as a percent of the total EngPM & GBO costs This rate is then applied to the total Display G&A costs.

Appendix

PA Category	P&L Products	PG	Q Code
Display Ads	Google Analytics	PG: Enterprise Analysis Products or PG: Regular Analytics or PG: Analytics for Search Ads	Q1D* (most analytics costs should be split with 67% to Q95)
Display Ads	AdSense	PG: GDN	Q17
Display Ads	AdMob	PG: Mobile Display	Q19
Display Ads	AdManager	PG: AdExchange or PG: DCLKSellSide or PG: Demand Product	Q16 or Q1C or Q6S
Display Ads	Display and Video 360	PG: DCLK BuySide	Q18
Display Ads	Campaign Manager 360	PG: DCLK BuySide	Q18
Display Ads	Google Display Ads (Excluding Search)	PG: Display Other	Q1J
Search Ads	Shopping		Q15
Search Ads	Travel		Q1K or Q1T
Search Ads	Search Ads		Q1M* (Q0E for gmail)
YouTube Ads	YouTube Ads		Q25